

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **WEDNESDAY, JANUARY 16, 2008**, upon the application of **CHESAPEAKE OPERATING, INC.**

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Hosston Formation, Reservoir A, the Upper Cotton Valley Formation, Reservoir A, and the Lower Cotton Valley Formation, Reservoir A**, in the Vernon Field, Jackson Parish, Louisiana.

1. To redefine the Lower Cotton Valley Formation, Reservoir A, INsofar AND ONLY INsofar as to the existing units designated LCV RA SU177 and LCV RA SU178, said units being shown on the plat submitted with the application, as being the stratigraphic equivalent of that gas and condensate bearing zone encountered between the measured depths of 10,705' and 16,095' (10,631' and 16,007' TVD) in the J-W Operating Company-Ray H Marr et al 24 No. 1 Well, located in Section 24, Township 16 North, Range 5 West.
2. To confirm the units designated LCV RA SU177 and LCV RA SU178 as remaining in full force and effect as drilling and production units for the exploration for and production of gas and condensate from the Lower Cotton Valley Formation, Reservoir A, as redefined in the manner set forth above.
3. To permit Applicant to combine downhole production from the Hosston Formation, Reservoir A, the Upper Cotton Valley Formation, Reservoir A, and the Lower Cotton Valley Formation, Reservoir A, or any combination thereof, in any well drilled on HOSS RA SU177, UCV RA SU177 and LCV RA SU177 or on HOSS RA SU178, UCV RA SU178 and LCV RA SU178, in which well the ownership interests in the units from which production is to be downhole combined are identical.
4. To consider such other matters as may be pertinent.

The Hosston Formation, Reservoir A, was defined in Office of Conservation Order No. 798-A, effective February 28, 1980 and was further defined in Order No. 798-A-1, effective August 18, 1982.

The Upper Cotton Valley Formation, Reservoir A, was defined in Order No. 798-C-2, effective December 22, 1982 and was redefined in Order No. 798-C-10, effective January 22, 2002.

The Lower Cotton Valley Formation, Reservoir A, was defined in Order No. 798-B-2, effective December 9, 1982 and was redefined in Order No. 798-B-23, effective January 22, 2002.

A plat is available for inspection in the Office of Conservation in **Baton Rouge and Shreveport**, Louisiana.
www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

**JAMES H. WELSH
COMMISSIONER OF CONSERVATION**

Baton Rouge, LA

12/11/07;12/14/07

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IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.